EGBA | European Gaming & Betting Association

Online privacy: European online gambling operators file data protection complaint against unlawful payment blocking scheme in Norway

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Brussels - The European Gaming and Betting Association (EGBA) has asked the Norwegian Data Protection Inspectorate (DPI) to urgently investigate a Norwegian payment blocking scheme for serious breaches of the privacy of Norwegian citizens when conducting online payments. The scheme established by the Norwegian Gaming Authority (NGA) is in contravention of Norwegian Data Protection laws and the European Convention on Human Rights according to the EGBA, representing Europe's leading online gambling operators.

The <u>Norwegian Payment Blocking Regulation</u> exists since 2010 and essentially prohibits businesses from carrying out payments of bets and prizes in online gambling services which do not have a licence in Norway. Despite the NGA's own analysis which determined the payment blocking regulation to be ineffective,¹ in March of 2017 the NGA suddenly imposed orders on Norwegian banks to block transactions to 7 identified account numbers.²

According to the EGBA, the manner in which the NGA obtained that account number information breaches the privacy protection rules of Norwegian citizens, including citizens that do not have any financial relation with online gambling service providers. The only place the NGA could have obtained the information about these account number is from a database containing data of Norwegian citizens (the Foreign Exchange Register) to which the NGA has no right to access according to Norwegian law. To obtain the account information the NGA would have scanned and obtained login data of payment details belonging to Norwegians citizens that may or may not be not related to online gambling services – and this contravenes Norwegian citizens' privacy rights as laid down by the European Convention of Human Rights.

Maarten Haijer, Secretary General of EGBA, comments: "Online data protection and the right to privacy are a major concern to all Norwegian and European citizens and rightly so. As more and more of our information goes online, we must be able to trust that our online data is protected. The data protection rules for online gambling companies are very stringent, and these companies are rightly expected and forced to comply with those rules - but the law requires the same from public authorities like the NGA. In this case we believe the NGA has made a clear breach of data protection rules which the Norwegian DPI should investigate and take appropriate action if necessary."

¹ Evaluering av forskrift om forbud mot betalingsformidling til pengespill uten norsk tillatelse, Annex 4 (p. 2), Norwegian Gaming Authority (2012)

² Decree with order to reject payment transactions to and from foreign gambling operators, Norwegian Lottery Authority (2017)

"The underlying issue is that the current Norwegian online gambling law does not fit with today's digital reality. Rather than focusing on keeping the Monopoly model in place with increasingly repressive but ineffective enforcement measures, the regulation should focus on the actual needs of Norwegian consumers and provide a safe and competitive offer which enables consumers to play online in a secure and highly regulated environment based on Norwegian law," Haijer added.

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About the EGBA:

The EGBA is an association of leading European gaming and betting operators Bet-at-home, BetClic, GVC Holdings PLC, Expekt, Kindred Plc, ZEAL Network, Betsson Group and Bet365. The Gibraltar Betting and Gaming Association (GBGA) and Branschföreningen för Onlinespel (BOS) are affiliate members of EGBA. As a Brussels-based non-profit association, EGBA promotes the rights of more than 20 million adult European citizens to participate in online gambling of their choice in an informed, regulated, safe and secure environment. While online gambling remains a smaller part of the total gambling market (15%), based upon innovation, technology and digital consumer demand, online gambling transformed itself into an industry champion of the European digital economy with material spin-off effects towards other digital economies and strong synergies with sports. EGBA members have invested more than €600M into digital security and contributed to sports with more than €800M, mainly via sponsorship deal and purchasing innovative sports streaming rights. www.egba.eu